

Downey, CA -- More than 500 people from throughout Los Angeles County attended a foreclosure prevention and homeownership preservation workshop in Downey co-sponsored by Congresswomen Lucille Roybal-Allard (CA-34) and Linda Sánchez (CA-39). Held at West Middle School on Old River School Road, credit counselors and lenders were available at the free event to offer on-site assistance, one-on-one counseling, and information on viable options regarding foreclosure prevention assistance.

“To keep the American dream alive, we must make sure that the avenues to economic progress remain open,” said Congresswoman Linda Sánchez. “I believe that all homeowners like the average homeowner in my district, should have access to the full range of financial options available to other, more affluent homeowners.”

Housing, tax and financial professionals also provided presentations to help homeowners understand the foreclosure process; guard against fraud and scams; address tax issues; and rebuild their credit. Representatives from the U.S. Department of Housing and Urban Development (HUD), LA County NeighborWorks Center for Foreclosure Solutions, the Los Angeles Neighborhood Housing Services, and area banks participated in the workshop.

The congresswomen also provided an overview of the legislative solutions passed and pending in Congress to address the crisis and help Americans stay in and keep their homes and revitalize their communities. Congresswoman Sánchez co-wrote a bill with Congressman Brad Miller of North Carolina, called the Emergency Home Ownership and Mortgage Equity Protection Act. The bill would allow bankruptcy judges to restructure home mortgage debt as they can currently do for mortgages on investment properties, vacation homes, and family farms, helping around 600,000 homeowners from losing their homes.

With the Congresswomen’s support, Congress passed legislation that temporarily expands access to affordable, government-insured mortgages by increasing the Federal Housing Administration loan limits to account for the high price of California housing. Congress also passed legislation to protect homeowners from having to face an additional tax bill while they are in the process of losing their home through foreclosure. Finally, Congress passed legislation to expand housing and financial counseling opportunities so that families can learn what they can do now to keep their homes rather than lose them.

The congresswomen also said they support passage of a pending Housing Stimulus bill that provides the most comprehensive response yet to the foreclosure crisis. The measure is also likely to include a provision to permanently raise the limit for government backed loans to help homeowners in costly areas such as California. The stimulus bill would expand a federal mortgage insurance program to help borrowers who are in danger of losing their homes. This expansion would help them to refinance into lower-cost, government-backed mortgages that they would be able to afford to pay. In addition, the bill would increase the line of government credit to Fannie Mae and Freddie Mac to stabilize the Government Sponsored Enterprises and reinforce confidence in our financial markets.